

FORM OF SUMMARY

INTRODUCTION

This summary should be read as an introduction to the Information Memorandum and the Final Terms to which this is annexed. Any decision to invest in any Bonds should be based on a consideration of the Information Memorandum as a whole, including any documents incorporated by reference and the Final Terms. An investor in the Bonds could lose all or part of the invested capital. Where a claim relating to information contained in the Information Memorandum and the Final Terms is brought before a court, the plaintiff may, under national law where the claim is brought, be required to bear the costs of translating the Information Memorandum and the Final Terms before the legal proceedings are initiated. Civil liability attaches only to the Issuer solely on the basis of this summary, including any translation of it, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Information Memorandum and the Final Terms or where it does not provide, when read together with the other parts of the Information Memorandum and the Final Terms, key information in order to aid investors when considering whether to invest in the Bonds.

The Bonds described in this Summary are:¹ [Euro Floating Rate Bonds,] [Euro Jubilee Bonds,] [Euro Mazel Tov Savings Bonds,] [Sterling Mazel Tov Savings Bonds,] [U.S. Dollar Mazel Tov Savings Bonds,] [Euro Savings Bonds,] [Sterling Savings Bonds,] [U.S. Dollar Savings Bonds,] [Sterling Jubilee Bonds,] [U.S. Dollar Jubilee Fixed Rate Bonds,] [U.S. Dollar Maccabee Fixed Rate Bonds,] [U.S. Dollar Sabra Savings Bonds,] [Euro eMazel Tov Savings Bonds,] [Sterling eMazel Tov Savings Bonds,] [U.S. Dollar eMazel Tov Savings Bonds,] [Euro Shalom Savings Bonds,] [Sterling Shalom Savings Bonds] [and U.S. Dollar Shalom Savings Bonds].

ISIN not applicable/[specify ISIN for any series that has one]

The Information Memorandum has been approved by the Central Bank of Ireland on September 1, 2022.

KEY INFORMATION ON THE ISSUER

Who is the Issuer of the securities?

The Issuer is a sovereign issuer, located in the State of Israel. The Issuer's LEI is 213800T8ZHTFZIBYPE21.

The long-term foreign currency sovereign credit ratings of the Issuer are: A1 (Moody's Investors Service Ltd), AA- (S&P Global Ratings UK Limited) and A+ (Fitch (Hong Kong) Ltd).

What is the key financial information regarding the Issuer?

Selected Economic Indicators (in billions of NIS unless otherwise noted)

Main Indicators	2020	2021
GDP (at constant 2015 prices)	1,342.7	1,453.0
Real GDP growth	-2.2%	8.2%
GDP per capita (in NIS, at constant 2015 prices)	145,724	155,123
GDP per capita, percentage change	-3.9%	6.4%
Inflation (change in CPI – annual average)	-0.6%	1.5%
Industrial production	6.3%	5.9%
Business sector product (at constant 2015 prices)	1,005.8	1,103.3
Permanent average population (thousands)	9,215	9,367
Unemployment rate	4.3% ⁽¹⁾	5.0% ⁽²⁾
Foreign direct investment (inflows, in billions of dollars)	24.3	21.5
Trade Data		
Exports (F.O.B) of goods and services (NIS, at constant 2015 prices)	422.5	479.8
Imports (F.O.B) of goods and services (NIS, at constant 2015 prices)	379.6	453.6
External Debt		

¹ Delete as applicable.

External debt liabilities (in millions of dollars, at year-end)	130,410	161,836
Net external debt (in millions of dollars, at year-end)	-202,455	-224,849
Government Debt		
Total gross government debt (at end-of-year current prices)	983.9	1,044.1
Total gross government debt as percentage of GDP	70.2%	67.0%
Revenues and Expenditures (net)		
Revenues and grants	317.9	392.9
Expenditures	563.1	587.6
Expenditures other than capital expenditures	426.4	426.9
Development expenditures (including repayments of debt)	136.7	160.7
Repayments of debt	97.4	119.8

Source: Central Bureau of Statistics, Bank of Israel and Ministry of Finance.

⁽¹⁾ A broader definition of unemployment used since the outbreak of COVID-19 totaled 15.3% in 2020, and included those absent from work due to reasons related to COVID-19 such as unpaid leave (9.5%) and those who left the labor force due to COVID-19 related reasons such as dismissal or closure of the workplace (1.4%).

⁽²⁾ In 2021 unemployment (as defined in footnote 1 above) amounted to 10.0% including those absent from work due to reasons related to COVID-19 such as unpaid leave (2.9%) and those who left the labor force due to COVID-19 related reasons such as dismissal or closure of the workplace (2.1%).

What are the key risks that are specific to the Issuer?

In purchasing the Bonds, investors assume the risk that the Issuer may be unable to make all payments due in respect of the Bonds. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified some factors which could materially adversely affect its business and ability to make payments due. These factors include escalation of political volatility in the Middle East and North Africa region, and worsening of global economic conditions, which may have an adverse effect, if these risks materialise, on Israel's economy and its financial condition and credit. By investing in the Bonds, an investor is exposed to the risk that some or all of these factors could negatively affect the Issuer, and in turn, negatively impact the value of the Bonds.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

The Bonds are:²

- [floating rate bonds ("**Euro Floating Rate Bonds**"). Euro Floating Rate Bonds are floating rate Bonds, and are offered in Euro with maturities of [1, 2, 3, 5 and 10] year[s], with interest payable semi-annually and upon maturity.]
- [jubilee bonds ("**Jubilee Bonds**"). Jubilee Bonds are fixed rate Bonds, and are offered in [Euro ("**Euro Jubilee Bonds**"), and British Pound Sterling ("**Sterling Jubilee Bonds**")] and offered with maturities of [1, 2, 3, 5 and 10] year[s], with interest payable semi-annually and upon maturity.]
- [mazel tov savings bonds ("**Mazel Tov Savings Bonds**"). Mazel Tov Savings Bonds are fixed rate Bonds and are offered in [Euro ("**Euro Mazel Tov Savings Bonds**"), British Pound Sterling ("**Sterling Mazel Tov Savings Bonds**") and United States Dollars ("**U.S. Dollar Mazel Tov Savings Bonds**"), with interest payable upon maturity. [U.S. Dollar Mazel Tov Savings Bonds are offered with maturities of [5 and 10] years.] [Euro Mazel Tov Savings Bonds are offered with a maturity of 5 years.] [Sterling Mazel Tov Savings Bonds are offered with a maturity of 5 years.]
- [savings bonds ("**Savings Bonds**"). Savings Bonds are fixed rate Bonds, and are offered in [Euro ("**Euro Savings Bonds**"), British Pound Sterling ("**Sterling Savings Bonds**") and United States Dollars ("**U.S. Dollar Savings Bonds**")] with maturities of [1, 2, 3, 5 and 10] year[s], with interest payable upon maturity.]

² This section and all subsequent sections of the summary are to be completed to reflect terms of Bonds being issued for the relevant Offer Period.

- [jubilee fixed rate bonds ("**U.S. Dollar Jubilee Fixed Rate Bonds**"). U.S. Dollar Jubilee Fixed Rate Bonds are fixed rate Bonds, and are offered in United States Dollars and with maturities of [1, 2, 3, 5, 10 and 15] year[s], with interest payable semi-annually and upon maturity.]
- [maccabee fixed rate bonds ("**U.S. Dollar Maccabee Fixed Rate Bonds**"). U.S. Dollar Maccabee Fixed Rate Bonds are fixed rate Bonds, and are offered in United States Dollars and with maturities of [1, 2, 3, 5, 10 and 15] year[s], with interest payable semi-annually and upon maturity.]
- [sabara savings bonds ("**U.S. Dollar Sabra Savings Bonds**"). U.S. Dollar Sabra Savings Bonds are fixed rate Bonds, and are offered in United States Dollars and with maturities of [1, 2, 3, 5 and 10] year[s], with interest payable upon maturity.]
- [eMazel Tov savings bonds ("**eMazel Tov Savings Bonds**"). eMazel Tov Savings Bonds are fixed rate Bonds and are offered in [Euro ("**Euro eMazel Tov Savings Bonds**"), British Pound Sterling ("**Sterling eMazel Tov Savings Bonds**") and United States Dollars ("**U.S. Dollar eMazel Tov Savings Bonds**")], with maturities of [5 and 10] years, with interest payable upon maturity.]
- [shalom savings bonds ("**Shalom Savings Bonds**"). Shalom Savings Bonds are fixed rate Bonds and are offered in [Euro ("**Euro Shalom Savings Bonds**"), British Pound Sterling ("**Sterling Shalom Savings Bonds**") and United States Dollars ("**U.S. Dollar Shalom Savings Bonds**")], with maturities of [1 and 2] year[s], with interest payable upon maturity.]

The Bonds are issued in Series. Tranches of the same Series may have different maturity dates and bear different interest rates. As used herein, "**Tranche**" means Bonds which are identical in all respects including, without limitation, issue date, interest commencement date and maturity date, and "**Series**" means a Tranche of Bonds together with any further Tranche or Tranches of Bonds which are identical in all respects except for their respective issue dates, interest commencement dates and/or maturity dates.

The Bonds are issued in book-entry form, which means that ownership of the Bonds will be recorded electronically by Computershare Trust Company of Canada, the institution appointed by the Issuer to act as its fiscal agent. Certificates will be issued only to Registered Owners who are government agencies, pension funds, financial institutions and employee benefit plans that so request at the time of purchase, or upon written consent of the State of Israel. Certificates will not be issuable for eMazel Tov Savings Bonds and Shalom Savings Bonds.

Currency: Bonds are issued in [Euro ("**€**" or "**Euro**"), British Pounds Sterling ("**£**" or "**Sterling**") and United States Dollars ("**U.S.\$**" or "**U.S. Dollars**").]

*Denominations*³: The minimum purchase amount of: [the Euro Floating Rate Bonds is €5,000,] [the Jubilee Bonds is €1,000 and £1,000,] [the Mazel Tov Savings Bonds is €100 (and integral multiples of €1 in excess of €100), £100 (and integral multiples of £1 in excess of £100) and U.S.\$100 (and integral multiples of U.S.\$1 in excess of U.S.\$100),] [the 2-Year, 3-Year, 5-Year and 10-Year Savings Bonds is €5,000, £1,000 and U.S.\$2,500 (and integral multiples of U.S.\$500 in excess of U.S.\$2,500),] [the 1-Year Savings Bonds is €5,000 (and integral multiples of €500 in excess of €5,000), £5,000 (and integral multiples of £500 in excess of £5,000) and U.S.\$5,000 (and integral multiples of U.S.\$500 in excess of U.S.\$5,000),] [the U.S. Dollar Jubilee Fixed Rate Bonds is U.S.\$25,000 (and integral multiples of U.S.\$5,000 in excess of U.S.\$25,000),] [the U.S. Dollar Maccabee Fixed Rate Bonds is U.S.\$5,000 (and integral multiples of U.S.\$500 in excess of U.S.\$5,000),] [the 2-Year, 3-Year, 5-Year and 10-Year U.S. Dollar Sabra Savings Bonds is U.S.\$1,000 (and integral multiples of U.S.\$100 in excess of U.S.\$1,000),] [the 1-Year U.S. Dollar Sabra Savings Bonds is U.S.\$5,000 (and integral multiples of U.S.\$500 in excess of U.S.\$5,000),] [the eMazel Tov Savings Bonds is €36 (and integral multiples of €1 in excess of €36), £36 (and integral multiples of £1 in excess of £36) and U.S.\$36 (and integral multiples of U.S.\$1 in excess of U.S.\$36),] [the Shalom Savings Bonds is €36 (and integral multiples of €1 in excess of €36), £36 (and integral multiples of £1 in excess of £36) and U.S.\$36 (and integral multiples of U.S.\$1 in excess of U.S.\$36)]. Unless particular integral multiples are specified above, Bonds may be purchased in any amounts equal to or higher than the minimum purchase amount for the relevant type of Bond.

The maximum amount of: [1-Year Savings Bonds that may be purchased by any person to be issued on any Issue Date is €1,000,000, £1,000,000 or U.S.\$1,000,000,] [Mazel Tov Savings Bonds that may be purchased by any person to be issued on any Issue Date (which, in the case of Mazel Tov Savings Bonds, is the 1st of each month), and registered in the name of any one holder, is €2,500, £2,500 or U.S.\$2,500,] [1-Year U.S. Dollar Sabra Savings Bonds that may be purchased by any person to be issued on any Issue Date is U.S.\$500,000,] [eMazel Tov Savings Bonds that may be purchased by any

³ Integral multiples to be amended, where the Final Terms specify integral multiples other than those set out in the Terms and Conditions.

person to be issued on any Issue Date (which, in the case of eMazel Tov Savings Bonds, is the 1st of each month) and registered in the name of any one holder, is €2,500, £2,500 or U.S.\$2,500. The purchase of eMazel Tov Savings Bonds is only available through the website of Development Company for Israel (International) Limited and Development Company for Israel (Europe) GmbH (<http://www.israelbondsintl.com>), [Shalom Savings Bonds that may be purchased by any person on any Issue Date (which, in the case of Shalom Savings Bonds, is the 1st of each month) is €1,000,000, £1,000,000 or U.S.\$1,000,000. The purchase of Shalom Savings Bonds is only available through the website of Development Company for Israel (International) Limited and Development Company for Israel (Europe) GmbH (<http://www.israelbondsintl.com>). The purchase of Shalom Savings Bonds is permitted only if the Shalom Savings Bonds purchased are issued to a Permitted Holder. Permitted Holders of Shalom Savings Bonds are limited to any religious, charitable, literary, scientific or educational organization, contributions to which are, at the time of the transfer, deductible for income and similar tax purposes under the U.S. Internal Revenue Code of 1986, as amended (or are accorded similar treatment under the laws of the country in which the transferee is located) provided that the purchase of the Shalom Savings Bonds to be issued to such entity is without any compensation to the purchaser. For the avoidance of doubt, no governmental entities (sovereign, state or local), no individuals and no individual or personal trusts qualify as Permitted Holders of Shalom Savings Bonds. The State of Israel has the right to decline to issue Shalom Savings Bonds to an entity that the State of Israel does not deem to be a Permitted Holder.]

The Bonds to be issued have not been rated.

Each of Development Company for Israel (International) Limited and Development Company for Israel (Europe) GmbH (each a **Promoter** and together the **Promoters**) has agreed that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it arranges the sale of Bonds or possesses or distributes the Information Memorandum.

Status (Ranking): The Bonds will constitute direct, general, unconditional and unsubordinated External Indebtedness of the Issuer for which the full faith and credit of the Issuer is pledged. The Bonds of each series will rank without any preference among themselves and equally with all other unsubordinated External Indebtedness of the Issuer.

"**External Indebtedness**" means any Indebtedness which is payable by its terms or at the option of its holder in any currency other than the currency of Israel and "**Indebtedness**" means all obligations of the Issuer in respect of borrowed money and guarantees given by the Issuer in respect of money borrowed by others.

Taxation: Interest and principal sums due under the Bonds will be paid by the State of Israel without deduction for or on account of any present or future taxes or duties imposed or levied by or within the State of Israel (other than where the Bond holder is subject to such taxes or duties for a reason other than the holding or ownership of the Bond or the receipt of income therefrom). Under Israeli law as presently in effect, payments made under the Bonds to Bond holders who are not residents of the State of Israel will be exempt from Israeli taxation, and there are no transfer, stamp or similar taxes under the laws of the State of Israel payable in connection with the issue or redemption of the Bonds.

Bond holders who may be liable to taxation in jurisdictions other than the State of Israel in respect of their acquisition, holding or disposal of the Bonds are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the preceding comments relate only to certain aspects of taxation in the State of Israel. In particular, Bond holders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Bonds even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the State of Israel.

The above is intended as general information only and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to present any comprehensive or complete description of all aspects of any applicable tax law which could be of relevance to a Bond holder. The tax consequences for each investor in the Bonds can be different and therefore Bond holders who are in any doubt as to their tax position should consult their professional advisers.

Governing law: The Bonds will be governed by and construed in accordance with the laws of the State of New York.

Interest: The Bonds are interest bearing. Interest will accrue at [either] a fixed rate [or (in the case of the Euro Floating Rate Bonds) a floating rate].

Interest shall accrue from (and including) the Issue Date of the Bond up to (but not including) the maturity date on the basis of a 365-day year and the number of days elapsed. The Bonds will not accrue interest after the maturity.

Interest Payment Dates are [(in the case of the Savings Bonds, Mazel Tov Savings Bonds, U.S. Dollar Sabra Savings Bonds, eMazel Tov Savings Bonds and Shalom Savings Bonds)] the Maturity Date only, [(in the case of the Euro Floating Rate Bonds)] June 1st and December 1st in each year and upon maturity[, except that for Bonds issued on May 15th and November 15th in each year, the initial interest payment will be made on the second Interest Payment Date following the Issue Date] [or (in the case of the Jubilee Bonds, U.S. Dollar Jubilee Fixed Rate Bonds and U.S. Dollar Maccabee Fixed Rate Bonds)] May 1st and November 1st in each year and upon maturity,] [except that for Bonds issued on April 15th and October 15th in each year, the first interest payment will be on the second Interest Payment Date following their Issue Date.]

Applicable interest rate – fixed rate Bonds: The applicable interest rate is a fixed percentage per annum.

[*Applicable interest rate – Euro Floating Rate Bonds:* The initial interest rate of each Euro Floating Rate Bond is equal to the six month EURIBOR in effect three Rate-Setting Days prior to the first day of the sales period of such Bond, as it appears on Bloomberg or such other recognised quotation system as may be designated by the State of Israel from time to time, rounded upwards to the next one-sixteenth (1/16) of one percent, if the quoted interest rate is not equivalent to one-sixteenth (1/16) of one percent (the "**Applicable EURIBOR Rate**"), plus or minus a fixed number of basis points determined by the State of Israel (the "**Spread**"). "**EURIBOR**" is the interest rate benchmark known as the Euro zone interbank offered rate.

The Spread of each Euro Floating Rate Bond shall remain fixed until maturity. After the initial interest period, the interest rate will be adjusted semi-annually in accordance with the Applicable EURIBOR Rate in effect on subsequent interest determination dates, which will be three Rate-Setting Days prior to June 1st and December 1st of each year. In no event will the interest rate payable on the Euro Floating Rate Bonds be less than 0% per year. "**Rate-Setting Day**" shall mean any day other than a Saturday, Sunday or other day on which banks are authorised or required by law to be closed in New York, London or Toronto.]

Maturity: [Euro Floating Rate Bonds: [1-Year, 2-Year, 3-Year, 5-Year and 10-Year].] [Jubilee Bonds: [1-Year, 2-Year, 3-Year, 5-Year and 10-Year].] [Mazel Tov Savings Bonds: [5-Year and (U.S. Dollar Mazel Tov Savings Bonds only) 10-Year].] [Savings Bonds: [1-Year, 2-Year, 3-Year, 5-Year and 10-Year].] [U.S. Dollar Jubilee Fixed Rate Bonds: [1-Year, 2-Year, 3-Year, 5-Year, 10-Year and 15-Year].] [U.S. Dollar Maccabee Fixed Rate Bonds: [1-Year, 2-Year, 3-Year, 5-Year, 10-Year and 15-Year].] [U.S. Dollar Sabra Savings Bonds: [1-Year, 2-Year, 3-Year, 5-Year and 10-Year].] [eMazel Tov Savings Bonds: [5-Year and 10-Year].] [Shalom Savings Bonds: [1-Year and 2-Year].] Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed on the first calendar day of the month during which the [first, second, third, fifth, tenth or fifteenth,] as the case may be, anniversary of the Issue Date occurs. No Bonds with a maturity of less than 1 year will be issued.

Redemption: Subject to any purchase and cancellation or early redemption, the Bonds will be redeemed on their Maturity Date at par.

The State of Israel is entitled to redeem or repurchase any issued Bonds in whole or in part at any time. Redemption at the request of a Bond holder is not possible, except in the limited circumstances described in the Conditions of the Bonds.

Issue Price: The issue price of the Bonds is 100 per cent. of their aggregate principal amount.

Yield: Calculated on the basis of the formula set out below, the annual yield of each fixed rate Bond will be the same as the applicable annual interest rate of such Bond.

$$\text{Yield} = \frac{\text{Coupon}}{\text{Issue Price (i.e., 100\%)}}$$

The yield in respect of a particular Bond will not be an indication of future yield.

Representative of the Bond holders: Not Applicable – No trustee has been appointed to act on behalf of the Bond holders.

Where will the securities be traded?

No application has been or will be made for the Bonds to be admitted to trading on any exchange, market or other trading platform.

What are the key risks that are specific to the securities?

There are also risks associated with the Bonds, including a range of market risks, including:

- The Bonds are unlisted, transferability of the Bonds is limited and there is no secondary trading market for the Bonds.
- A Public Offer of any Bonds may be cancelled or terminated early, meaning an applicant investor may not be issued any Bonds or may be issued a number of Bonds which is less than the amount for which such applicant investor applied. In such cases, there may be a time lag in the release of any such amounts to the applicant investor.
- The Bonds constitute unsecured obligations of the State of Israel and Bond holders therefore have no recourse to any security.
- The State of Israel may redeem the Bonds prior to their scheduled maturity dates and, upon such redemption, an investor might not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed.
- Potential purchasers of the Bonds may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are purchased or transferred or other jurisdictions.
- The Bonds are not protected by the Financial Services Compensation Scheme and no-one will pay compensation on the failure of the Issuer to make any payments in respect of the Bonds.
- [Regulation and Reform of EURIBOR or other "benchmarks" could adversely affect any Bonds linked to such "benchmarks".]
- The investment of investors whose financial activities are denominated in a currency other than the Specified Currency of the relevant Bonds may be adversely affected by changes in exchange rates or currency appreciation, or by the imposition of exchange controls.
- The conditions of the Bonds are based on the laws of the State of New York in effect as of the date of the Information Memorandum and no assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice.

KEY INFORMATION ON THE OFFER OF BONDS

Are the Bonds being offered to the public as part of a Public Offer?

The Bonds are being offered in a Public Offer in [Austria, Belgium, France, Germany, Ireland, Spain and the Netherlands (the "Public Offer Jurisdictions")].

Consent: Subject to the conditions set out below, the Issuer consents to the use of the Information Memorandum in connection with Public Offers of the Bonds by the Promoters.

Offer Period(s): [From the [1st] of the month through the 14th of the month of the Issue Date]/[From the 15th of the month preceding the Issue Date through the last day of that month] [or (in the case of [the Mazel Tov Savings Bonds, eMazel Tov Savings Bonds and Shalom Savings Bonds] only) from the [1st] of the month preceding the Issue Date through the last day of that month.] (the "Offer Period").

Conditions to consent: The conditions to the Issuer's consent are that such consent (a) is only valid during the Offer Period; and (b) only extends to the use of the Information Memorandum to make Public Offers of the relevant Tranche of Bonds in the Public Offer Jurisdictions.

Any investor intending to acquire or acquiring any Bonds via any Promoter will do so, and offers and sales of the Bonds to an investor made via any Promoter will be made, in accordance with any terms and other arrangements in place between the relevant Promoter and such investor including as to price, allocation and settlement arrangements. The relevant Promoter will provide information to investors on the terms and conditions of the Public Offer of the relevant Bonds at the time such Public Offer is made by such Promoter to the investor.

Under which conditions and timetable can I invest in this security?

Terms of the Public Offer of the Bonds:

Promoters: Development Company for Israel (International) Limited and Development Company for Israel (Europe) GmbH.

Offer Price: 100% of the aggregate principal amount of the Bonds.

Public Offer Jurisdiction(s): [Austria, Belgium, France, Germany, Ireland, Spain and the Netherlands.]

Offer Period(s): [From the [1st] of the month through the 14th of the month of the Issue Date]/[From the 15th of the month preceding the Issue Date through the last day of that month] [or (in the case of [the Mazel Tov Savings Bonds, eMazel Tov Savings Bonds and Shalom Savings Bonds] only) from the [1st] of the month preceding the Issue Date through the last day of that month.] (the “**Offer Period**”)

Conditions to which the Public Offer is subject: The Issuer reserves the right to cancel or terminate early the Public Offer prior to its end date without giving notification of any such cancellation or early termination. For the avoidance of doubt, if any application to subscribe for the Bonds has been made by a potential investor and the Issuer exercises such right, each such potential investor shall not be entitled to subscribe or otherwise acquire the Bonds and any applications will be automatically cancelled and any purchase monies will be refunded to the applicant.

The final amount of Bonds to be issued will be determined at the end of the Offer Period and will depend, among other things, on the total amount of received subscriptions in respect of the Bonds.

Description of the application process: Investors may subscribe for the Bonds through the Promoters prior to the end of the Offer Period. Application for Bonds should be made by completing an investment form. Investors will also be required to sign the Promoters' Terms of Business, complete a Client Information Form and provide satisfactory evidence of their identity for the Promoters' anti-money laundering checks and provide any additional information required by local law in the jurisdiction of subscription. These forms are available on the Promoters' website or by contacting the Promoters directly. The State of Israel is not obliged to accept an investment form.

Details of the possibility of reducing subscriptions and manner for refunding excess amount paid by applicants: Prospective investors in the Bonds should contact the Promoters for details regarding the possibility of reducing subscriptions during the Offer Period and the manner for refunding any excess amount paid.

Details of the minimum and/or maximum amount of application: The minimum amounts of application are: [Euro Floating Rate Bonds - €5,000;] [Jubilee Bonds – [€1,000 or £1,000;] [Mazel Tov Savings Bonds - €100, £100 or U.S.\$100;] [2-Year, 3-Year, 5-Year and 10-Year Savings Bonds - €5,000, £1,000 or U.S.\$2,500;] [1-Year Savings Bonds - €5,000, £5,000 or U.S.\$5,000;] [U.S. Dollar Jubilee Fixed Rate Bonds - U.S.\$25,000;] [U.S. Dollar Maccabee Fixed Rate Bonds - U.S.\$5,000;] [2-Year, 3-Year, 5-Year and 10-Year U.S. Dollar Sabra Savings Bonds - U.S.\$1,000;] [1-Year U.S. Dollar Sabra Savings Bonds - U.S.\$5,000;] [eMazel Tov Savings Bonds – €36, £36 or U.S.\$36;] [Shalom Savings Bonds – €36, £36 or U.S.\$36]. The maximum amounts of application are: [1-Year Savings Bonds - €1,000,000, £1,000,000 or U.S.\$1,000,000;] [Mazel Tov Savings Bonds - €2,500, £2,500 or U.S.\$2,500 on any Issue Date and registered in the name of any one holder;] [1-Year U.S. Dollar Sabra Savings Bonds - U.S.\$500,000 on any Issue Date] [eMazel Tov Savings Bonds – €2,500, £2,500 or U.S.\$2,500 on any Issue Date and registered in the name of any one holder] [Shalom Savings Bonds - €1,000,000, £1,000,000 or U.S. \$1,000,000 on any Issue Date].

Details of the method and time limits for paying up and delivering the Bonds: In order to purchase a Bond on a specific Issue Date, a purchaser's subscription documents must be accepted by or on behalf of the State of Israel and cleared funds in respect of the full purchase price of such Bond must be received and accepted in the account of Computershare Trust Company of Canada (the “**Fiscal Agent**”) before such Issue Date (or before such other date announced by the State of Israel). The Bonds will be issued on the relevant Issue Date. If subscription documents are accepted by or on behalf of the State of Israel and/or clear funds are accepted or received in the account of the Fiscal Agent on or after an Issue Date (or such other date), the relevant Bond will be issued on a subsequent Issue Date. When a Bond is issued on a subsequent Issue Date, the interest rate applicable to the Bond will be the interest rate applicable to such Issue Date. [The purchase of eMazel Tov Savings Bonds is only available through the website of Development Company for Israel (International) Limited and Development Company for Israel (Europe) GmbH (<http://www.israelbondsintl.com>).] [The purchase of Shalom Savings Bonds is only available through the website of Development Company for Israel (International) Limited and Development Company for Israel (Europe) GmbH (<http://www.israelbondsintl.com>).]

Manner in and date on which results of the Public Offer are to be made public: The Promoters, on behalf of the State of Israel, will announce the results of each Public Offer on their website as soon as practicable following the completion or

termination of the Public Offer.

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable.

Categories of potential investors to which the Bonds are offered: Any person in the Public Offer Jurisdiction(s), save that Shalom Savings Bonds can only be issued to a Permitted Holder. The Bonds may have a special appeal to persons with an interest in the State of Israel.

Whether Tranche(s) have been reserved for certain countries: No Tranche(s) have been reserved for certain countries.

Process for notification to applicants of the amount allotted: Unless an application to purchase Bonds is not accepted by the State of Israel or a Public Offer is cancelled or terminated early, a prospective Bond holder will be allotted 100% of the Bonds applied for. The Fiscal Agent will post a confirmation of the allotment of Bonds to the prospective Bond holder within 7 Business Days (being days other than a Saturday, Sunday or other day on which the Fiscal Agent is authorised or required by law to be closed in Toronto, Ontario, Canada or in London) of the day on which the purchase is completed.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Subscribers for Bonds will not be charged any fees in relation to the issue, transfer or assignment of a Bond by the Promoters, the Fiscal Agent or the State of Israel. Bond holders will be charged a fee (for Bonds of U.S.\$25,000 and under: U.S.\$25, £18 or €18; for Bonds greater than U.S. \$25,000: U.S.\$100, £72 or €72) to replace a Bond certificate by the Fiscal Agent.

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

The Promoters:

Development Company for Israel (International) Limited, Platinum House, Gabriel Mews, Crewys Road, London NW2 2GD, United Kingdom, Telephone: +44 (0)20 3936 2712, Email: infoEN@israelbondsintl.com, Website: www.israelbondsintl.com. Development Company for Israel (Europe) GmbH, Hebelstrasse 6, 60318 Frankfurt/Main, Germany, Telephone: +49 69 490470, Email: infoDE@israelbondsintl.com, Website: www.israelbondsintl.com, Paris office: 17 rue Dumont d'Urville, 75116 Paris, France, Telephone: +33 14 28 58550, Email: infoFR@israelbondsintl.com

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment: Not Applicable.

Why is this prospectus being produced?

The net proceeds from the issue of the Bonds are intended to be used for the general financing purposes of the Issuer.

The Issuer is not aware of any interest(s) material to the offer of the Bonds (including conflicting interests), other than any fees payable to the Promoters for promoting and arranging subscriptions for the Bonds.